## SALARY COMMISSION



PATRICK ONO. MEMBER TRINETTE KAUI, MEMBER

## **MEMORANDUM**

January 31, 2022

TO: Lori Koga, Chair and

Members of the Charter Review Commission

FROM: Patrick Ono, Chair and

Patrick Ono

Members of the Salary Commission

RE: Salary Commission's Charter Amendment proposal

## **Background**

On January 24, 2022, the Charter Review Commission requested more information on the Salary Commission's proposal to amend the Charter to enable the Salary Commission to set the maximum salaries for elected officials etc. On February 23, 2022, the Salary Commission adopted the following as their proposal for a Charter Amendment, it is the same Charter Amendment that was proposed in 2018.

1. Proposed Charter Amendment to amend Article XXIX allowing the Salary Commission authority to establish the maximum salaries of all elected and appointed officials

#### 2. **Ballot Question:**

Shall Article XXIX, Salary Commission, Sections 29.01 and 29.03 be amended to give the Salary Commission authority to establish the maximum salaries of all elected and appointed officials, and to add the Director of Human Resources and the Director of Finance as ex-officio, non-voting members of the Commission?

#### 3. **Charter Amendment.**

Article XXIX, Sections 29.01 and 29.03 of the Kaua'i County Charter is amended to read as follows:

## ARTICLE XXIX SALARY **COMMISSION**

**Section 29.01. Organization.** There shall be a salary commission composed of seven members to establish the maximum salaries of all elected and appointed officers as defined in 23.01 D of this charter. The director of human resources and the director of finance shall serve as exofficio, non-voting members of the commission, in an advisory capacity. (Amended 1988, 2006, 2012)

Section 29.02. Policies. The commission shall adopt and, when it deems necessary, may change the policies governing its salary-setting decisions. (Amended 1988, 2006)

**Section 29.03. Resolution.** The commission's salary findings shall be adopted by resolution of the commission and forwarded to the mayor and the council on or before March 15 of any calendar year. [The resolution shall take effect without the mayor's and council's concurrence sixty days after its adoption by thecommission unless rejected by a vote of not less than five members of the council. The council may reject either the entire resolution or any portion of it.] The resolution shall take effect on July 1 of the same calendar year. The respective appointing authority may set the salary of an appointee at a figure lower than the maximum figure established by the salary commission for the position, provided that elected officers may voluntarily accept a salary lower than the maximum figure established by the salary commission for their position, or forego accepting a salary. (Amended 1988, 2006, 2012)

**Section 29.04.** Rules. The commission shall establish its rules of procedures and adopt rules andregulations pursuant to law. (Amended 1988, 2006)

**Section 29.05. Changes in Salary.** No change in the salary of councilmembers shall be effective during the term in which a change is enacted or for twenty-four months after a change is enacted, whichever is less.(Amended 1988, 2006)

**Section 29.06. Administration and Operation.** The mayor and council shall provide an annual appropriation sufficient to enable the commission to secure clerical or technical assistance and pay otheroperational costs in the performance of its duties. (Amended 1988, 2006, 2012)

<u>Note:</u> Charter material to be repealed is bracketed and stricken. New charter material is underscored.

The Salary Commission considered the history of Charter Amendments relating to the Salary Commission in their deliberations and the practices of the neighboring Counties.

Salary Commission was established in 1988 by a Charter Amendment.

A Table of Charter Amendments relating to the Salary Commission.

Year	Adopted Rejected	Charter Amendment Question
1984	A	Shall the salaries for the dept. heads be no less than the salary of the highest paid civil service employee in the County?
1988	А	Shall the provisions relating to the salaries of dept. heads be amended so that the dept. head may be paid less than the salary of the highest paid civil service employee in the County?
1988	A	Shall a salary commission be created that will have the power to establish salaries for Council members and recommend salaries and minimum qualifications for all other elected officials, officers and employees who are exempt from civil service?
2006	А	Shall the findings of the Salary Commission establishing the limits for all council members and county officers and employees who are exempt from civil service become effective, unless rejected in whole or in part, by a vote of five or more members of the Council?
2012	Α	Should the Mayor's salary be established by the Salary Commission?
2012	А	Should the Salary Commission establish maximum salaries for officers, which shall include the Prosecuting Attorney and all deputies and allow for elected officers to accept salaries lower than the maximum?
2012	R	Should the waiting period be eliminated before council's salary changes become effective?
2018	R	Shall Article XXIX. Salary Commission, Sections 29.01 and 29.03 be amended to give the Salary Commission authority to establish the maximum salaries of all elected and appointed officials, and to add the Director of Human Resources and the Director of Finance as ex-officio, non-voting members of the Commission?

The last time a Charter Amendment was proposed to give the Salary Commission the full authority to set salaries was in 2018. The Amendment was defeated, 8,995 "yes" vs. 11,946 "no" or 34.8% vs. 46.3% of the total votes.

## A comparison of the neighboring counties' Salary Commission:

## Notes

#### Honolulu<sup>1</sup>

- 7 members, 4 Mayoral & 3 Council appointments, authorized by Charter, 2 consecutive 5-year terms
- Commission has authority to set salaries, unless rejected by ¾ vote of the Council's entire membership
- Must meet annually, no later than February 1<sup>st</sup>, establish salary schedules no later than May 1<sup>st</sup>
- Establish by resolution and findings of fact
- Resolution sent to Mayor & Council taking effect 60 calendar days w/o their concurrence after adoption
- Effective on the first day of the fiscal year after adoption
- ¾ Council vote may reject entire resolution or any portion of it

#### Maui<sup>2</sup>

- 9 members, Mayoral appointments, authorized by Charter, 2 consecutive 5-year terms
- Commission has authority to set salaries

## Hawaii<sup>3</sup>

- 9 members, Mayoral appointments from 9 Council districts, authorized by Charter, 2 consecutive 5-year terms
- Commission has authority to set salaries
- 30 days prior to approval of any salary adjustment the Commission shall:
  - o Once in 2 daily newspapers specific increases in dollars and percentages
  - Hold at least one public hearing using video conferencing
  - O Submit detailed report to the offices of the mayor and the county clerk for public inspection
  - o Any adjustments by more than 10% shall require a 2/3s affirmative vote by the salary commission.

### Kauai<sup>4</sup>

- 7 members, Mayoral appointments, authorized by Charter, 2 consecutive 3-year terms
- Commission's findings shall be adopted resolution by March 15<sup>th</sup>
- Resolution shall take effect w/o Mayor or Council concurrence 60 days after its adoption unless rejected by a vote of not less than 5 Councilmembers.
- Council may reject the entire resolution or any portion of it Respecting appointing authority may set the salary of an appointee lower than the maximum set by the Salary Commission.

## State of Hawaii<sup>5</sup>

- Commission shall meet every 6 years from Nov. 2006, 2 Gubernatorial, 2 Senate President, 2 House Speaker and 1 Supreme Court Chief Justice appointments, 2 consecutive 4-year terms
- Submit report to the Legislature no later than the 40<sup>th</sup> day of the Legislature
- Salaries shall become effective July 1<sup>st</sup> of the next fiscal year unless the Legislature disapproves by adopting a concurrent Resolution by simple majority of each Legislative house prior to closing
- Commission may recommend different salaries for dept. heads & executive officers and different salary ranges for deputies or assistants provided that the ranges are the same w/in the same dept. Appointing official shall specify the salary for a particular position w/in the applicable range.

<sup>&</sup>lt;sup>1</sup>City and County of Honolulu. "Revised Charter of the City and County of Honolulu 1973 (Amended 2017)" https://www.honolulu.gov/rep/site/cor/rch/Charter Revised 6-30-21 FINAL.pdf (June 30, 2021) p.11

<sup>&</sup>lt;sup>2</sup>County of Maui, Hawaii. "Charter County of Maui, 2021 Edition" https://www.mauicounty.gov/DocumentCenter/View/126103/Charter-2021-Edition (January 2, 2021) p.36

<sup>&</sup>lt;sup>3</sup>County of Hawaii. "County Charter, County of Hawai`i 2020" <a href="https://records.hawaiicounty.gov/weblink/DocView.aspx?dbid=1&id=109506">https://records.hawaiicounty.gov/weblink/DocView.aspx?dbid=1&id=109506</a> (2020) p.58

<sup>&</sup>lt;sup>4</sup> County of Kauai. "Kauai County Charter 2020 Codified" https://www.kauai.gov/Portals/0/Boards Commissions/Charter/The%20Charter%20of%20the%20County%20of%20Kaua%60i%20(2020%20Codified).pdf?ver=2020-12-11-072403-240 (2020) p.57

<sup>&</sup>lt;sup>5</sup> State of Hawaii, Department of Human Resources Development. "HRS 26-56 Commission on Salaries" https://www.capitol.hawaii.gov/hrscurrent/Vol01 Ch0001-0042F/HRS0026/HRS 0026-0056.htm

# Charter - Salary charter amendment 2.23.22

Final Audit Report 2022-02-24

Created: 2022-02-24

By: Anela Segreti (asegreti@kauai.gov)

Status: Signed

Transaction ID: CBJCHBCAABAA-Lm-wyXPs4vxz1ZcyoKGUOdvjHp6bgs1

## "Charter - Salary charter amendment 2.23.22" History

Document created by Anela Segreti (asegreti@kauai.gov) 2022-02-24 - 2:24:39 AM GMT- IP address: 64.128.3.74

Document emailed to Patrick Ono (pono@matson.com) for signature 2022-02-24 - 2:25:08 AM GMT

Email viewed by Patrick Ono (pono@matson.com) 2022-02-24 - 2:47:08 AM GMT- IP address: 63.64.20.4

Document e-signed by Patrick Ono (pono@matson.com)

Signature Date: 2022-02-24 - 2:47:39 AM GMT - Time Source: server- IP address: 63.64.20.4

Agreement completed. 2022-02-24 - 2:47:39 AM GMT